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Attorneys for the Debtors

In re:	:	UNITED STATES BANKRUPTCY COURT
SHAPES/ARCH HOLDINGS L.L.C., <u>et</u>	:	FOR THE DISTRICT OF NEW JERSEY
<u>al.</u> ,	:	CHAPTER 11
	:	
Debtors.	:	CASE NO. 08-14631 (GMB)
	:	
	:	Hearing Date: September 30, 2008
		at 2:00 p.m.

**AFFIDAVIT IN SUPPORT OF FIRST AND FINAL APPLICATION OF COZEN
O'CONNOR, ATTORNEYS FOR THE DEBTORS, FOR COMPENSATION AND
REIMBURSEMENT OF EXPENSES FOR THE PERIOD FROM
MARCH 16, 2008 THROUGH AUGUST 8, 2008**

STATE OF NEW JERSEY)
 :
COUNTY OF CAMDEN)

Jerrold N. Poslusny, Jr., Esquire, of full age, being duly sworn according to law, upon his
oath deposes and says:

1. I am a member of the firm of Cozen O'Connor ("CO"), which firm is attorneys to
Shapes/Arch Holdings L.L.C. and its related debtor entities, the reorganized debtors (collectively
the "Debtors")¹ in the above-captioned matter.

¹ In addition to Shapes/Arch Holdings L.L.C. ("Shapes/Arch"), the following entities, all of
which are wholly owned subsidiaries or Shapes/Arch, also filed petitions on the Petition Date
(defined below): Shapes L.L.C. ("Shapes"); Delair L.L.C. ("Delair"); Accu-Weld L.L.C.
("Accu-Weld"); and Ultra L.L.C. ("Ultra").

2. On March 16, 2008 (the "Petition Date"), the Debtors filed their petitions for relief under Chapter 11, Title 11 of the United States Code (the "Bankruptcy Code").

3. No trustee or examiner has been appointed in these cases.

4. An official committee of unsecured creditors (the "Committee") was appointed on March 31, 2008 and was actively involved in these cases through the Effective Date of the Plan.

5. By Order dated April 9, 2008, CO was retained to represent the Debtors as their attorneys in these bankruptcy proceedings on the terms set forth in CO's retention application, effective as of March 16, 2008.

6. On March 18, 2008, the Administrative Order Pursuant To 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals (the "Compensation Procedures Order") was entered by the Court.

7. CO submits this Affidavit in support of its first and final application for compensation and reimbursement of expenses (the "Final Fee Application"), for its services to the Debtors during the period of March 16, 2008 through August 8, 2008 (the "Fee Application Period").

8. On April 23, 2008, CO filed its first monthly fee statement for compensation and reimbursement of expenses for the period from March 16, 2008 through March 31, 2008 (the "First Monthly Fee Statement") requesting compensation for services rendered in the amount of \$67,889.00 and reimbursement of actual and necessary expenses in the amount of \$9,408.04. No objections were filed to the First Monthly Fee Statement. Pursuant to the Compensation Procedures Order, CO has received 80% of fees (\$54,311.20) and 100% of expenses incurred (\$9,408.04) with respect to the First Interim Fee Statement.

9. On May 22, 2008, CO filed its second monthly fee statement for compensation and reimbursement of expenses for the period from April 1, 2008 through April 30, 2008 (the "Second Monthly Fee Statement") requesting compensation for services rendered in the amount of \$198,979.00 and reimbursement of actual and necessary expenses in the amount of \$3,366.02. No objections were filed to the Second Monthly Fee Statement. Pursuant to the Compensation Procedures Order, CO has received 80% of fees (\$159,183.20) and 100% of expenses incurred (\$3,366.02) with respect to the Second Monthly Fee Statement.

10. On June 12, 2008, CO filed its third monthly fee statement for compensation and reimbursement of expenses for the period from May 1, 2008 through May 31, 2008 (the "Third Monthly Statement") requesting compensation for services rendered in the amount of \$193,539.50 and reimbursement of actual and necessary expenses in the amount of \$4,783.12. No objections were filed to the Third Monthly Fee Statement. Pursuant to the Compensation Procedures Order, CO has received 80% of fees (\$154,831.60) and 100% of expenses incurred (\$4,783.12) with respect to the Third Monthly Fee Statement.

11. On July 11, 2008, CO filed its fourth monthly fee statement for compensation and reimbursement of expenses for the period from June 1, 2008 through June 30, 2008 (the "Fourth Monthly Statement") requesting compensation for services rendered in the amount of \$187,484.50 and reimbursement of actual and necessary expenses in the amount of \$3,290.09. No objections were filed to the Fourth Monthly Fee Statement. Pursuant to the Compensation Procedures Order, CO has received 80% of fees (\$149,987.60) and 100% of expenses incurred (\$3,290.09) with respect to the Fourth Monthly Fee Statement.

12. On August 8, 2008, CO filed its fifth monthly fee statement for compensation and reimbursement of expenses for the period from July 1, 2008 through July 31, 2008 (the "Fifth

Monthly Statement”) requesting compensation for services rendered in the amount of \$183,973.00 and reimbursement of actual and necessary expenses in the amount of \$3,899.48.

The deadline to object to the Fifth Monthly Fee Statement is August 28, 2008.

13. Substantial time has been expended in this proceeding, and incorporated herein as Exhibit “A” is a description of services rendered during the First, Second, Third, Fourth and Fifth Monthly Statements.

14. CO has also incurred fees of \$17,956.50 and expenses of \$948.42 during the period from August 1, 2008 through August 8, 2008, as further detailed on Exhibit “B”.

15. The professional services rendered by CO during these cases is further delineated in Section II of the Fee Application Cover Sheet, filed herewith, which reflects a total of 2,085.10 hours in time expended during the Fee Application Period.

16. A schedule of professionals and paraprofessionals identifying the professional or paraprofessional rendering services to the estates as set forth in the attached Exhibit “A” and Exhibit “B”, is provided in Section I of the Fee Application Cover Sheet, filed herewith.

17. Attached hereto Exhibit “C” is a narrative by Jerrold N. Poslusny, Jr., Esquire, which delineates in greater detail professional services rendered during the Fee Application Period and the status of these cases.

18. It is submitted that the hourly rates which are requested are market rates for work of this type and nature and are fair and reasonable under the circumstances of these cases.

19. Prior to the commencement of these cases, CO was paid a retainer totaling \$180,227.67, a portion of which was utilized by CO to satisfy the fees and expenses requested in CO's First Monthly Statement. The amount presently held by CO as a retainer is \$116,508.43.

CO has been paid \$539,160.87 as of the date of this filing, leaving \$219,847.37, net of its retainer balance, due to CO subject to approval of this Final Fee Application.

WHEREFORE, your applicant requests that a first and final allowance be made to CO in the total amount of \$849,821.50 for compensation and \$25,695.17 for actual and necessary expenses incurred during the Fee Application Period and that such amounts be authorized for payment in full.

/s/ Jerrold N. Poslusny, Jr.
Jerrold N. Poslusny, Jr.

Sworn to and subscribed
Before me this 2nd day
of September 2008.

/s/ Debbie Reyes
Notary Public of New Jersey
My Commission Expires Aug. 5, 2009